

SIERRA COUNTY ECONOMIC FORECAST

Sierra County is located on the California-Nevada state border. It was a hub of activity during the gold rush, and experienced a large amount of in-migration in the mid 1800s. According to the 1880 Census, the county had a population of 6,623. But by 2013, it was the second smallest county in California, with only 3,053 residents. Sierra County has 625 wage and salary jobs, a per capita income of \$39,379, and an average salary per worker of \$46,545.

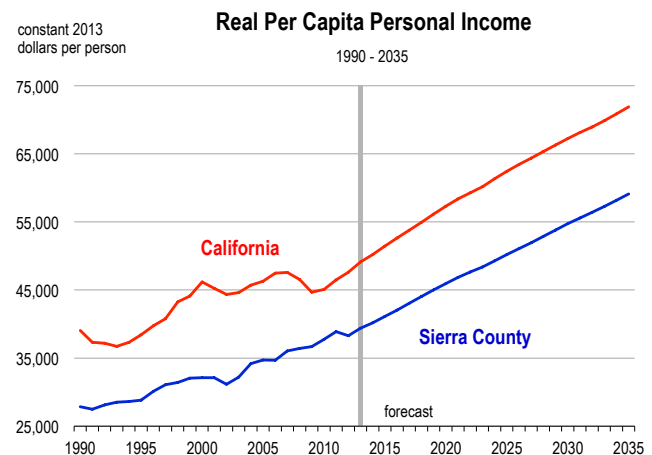
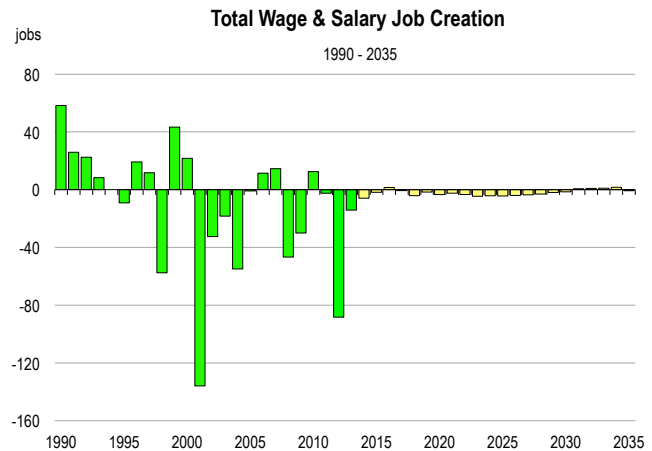
In 2013, Sierra County lost 14 wage and salary jobs, representing a decline of 2.2 percent. The unemployment rate, although still high, declined from 14.5 percent in 2012 to 13.0 percent in 2013.

Employment in the goods producing sector was flat in 2013. The public sector, which represents 55 percent of total employment in the county, lost 16 jobs, while the services sector declined by 3 jobs. The agriculture industry added 5 new workers.

Between 2008 and 2013, the population of Sierra County declined at an annual average rate of 1.4 percent. The majority of this decrease was the result of out-migration, as the county lost an average of 37 net migrants per year. However, the county also experienced a natural decrease (deaths outnumbering births), which was responsible for a small portion of the overall population decline.

FORECAST HIGHLIGHTS

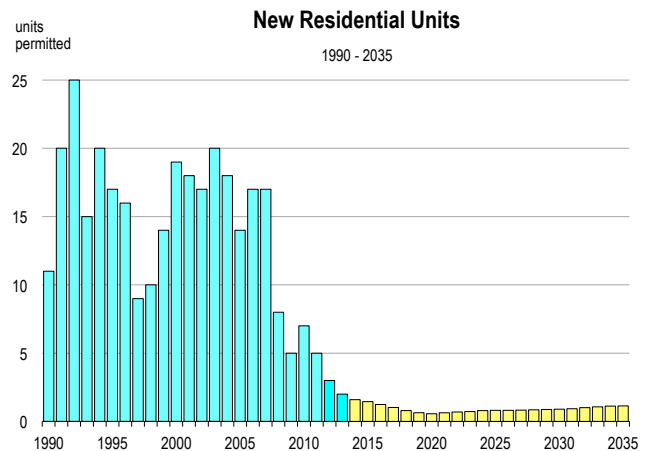
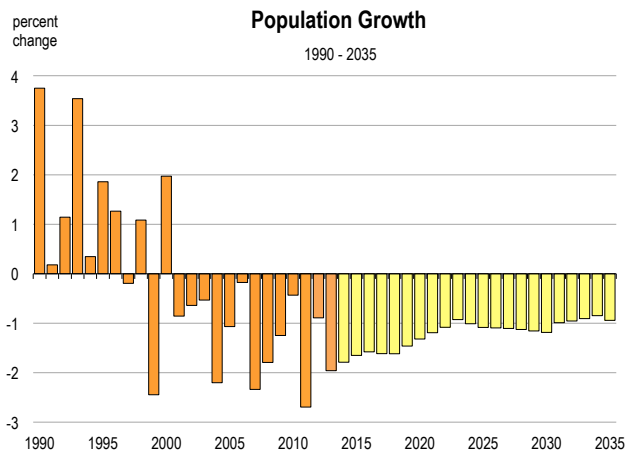
- Total wage and salary employment is expected to decline by 0.9 percent in 2014. Over the forecast period, job growth will be relatively flat – total employment is expected to decline by only 6 jobs.
- Average salaries are well below the California state average, and will remain so over the forecast period. In Sierra County, inflation-adjusted salaries are expected to increase at an average rate of 1.1 percent per year during the 2014-2019 period.
- Over the 2014-2019 period, employment growth will be relatively flat in each of the major sectors. The government sector and agriculture industry will remain relatively unchanged. Meanwhile, the goods producing sectors will decline by 2 jobs, while the service providing industries will lose 4 positions.
- The population is expected to decline throughout the 2014-2019 period. Over this time frame, the annual average decrease will be 1.6 percent.
- Net migration will also remain negative. Over the next five years, the county will lose an average of 17 net migrants per year.
- Between 2014 and 2019, real per capita income will increase by approximately 2.3 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to increase by 1.7 percent per year from 2014 to 2019.
- Between 2014 and 2019, the growth rate of industrial production will average 0.7 percent per year.



Sierra County Economic Forecast

2006-2013 History, 2014-2040 Forecast

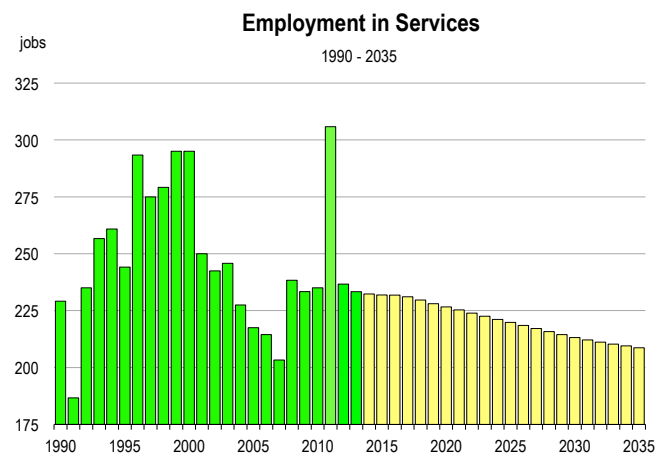
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2006	3,424	-6	5.5	1.5	17	\$25.98	\$101.29	\$34,684	3.2	7.5	23.1	7.6
2007	3,344	-63	5.4	1.5	17	\$23.95	\$106.35	\$36,050	3.4	7.4	23.1	8.0
2008	3,284	-44	5.4	1.5	8	\$20.88	\$108.65	\$36,429	2.9	6.6	11.2	10.6
2009	3,243	-34	5.4	1.5	5	\$16.22	\$108.93	\$36,676	0.8	5.6	5.4	15.3
2010	3,229	-17	5.4	1.5	7	\$18.46	\$113.10	\$37,745	1.3	6.7	6.1	15.5
2011	3,142	-70	5.3	1.5	5	\$15.77	\$116.42	\$38,895	2.7	8.6	4.5	14.9
2012	3,114	-18	5.3	1.5	3	\$24.90	\$116.56	\$38,274	2.7	8.5	5.8	14.5
2013	3,053	-45	5.3	1.5	2	\$17.48	\$120.22	\$39,379	2.3	8.8	6.0	13.0
2014	2,998	-26	5.3	1.5	2	\$20.12	\$123.85	\$40,187	2.8	9.1	5.6	11.7
2015	2,949	-21	5.2	1.5	1	\$21.69	\$128.64	\$41,104	3.3	9.4	5.8	10.7
2016	2,902	-17	5.0	1.5	1	\$22.82	\$133.59	\$42,039	3.2	9.5	6.2	9.9
2017	2,856	-17	5.0	1.5	1	\$23.60	\$137.78	\$43,053	2.4	9.6	6.3	9.6
2018	2,809	-16	4.8	1.5	1	\$24.32	\$141.90	\$44,058	2.3	9.7	6.1	9.5
2019	2,768	-11	4.7	1.5	1	\$25.04	\$146.20	\$45,003	2.4	9.7	5.8	9.4
2020	2,732	-7	4.6	1.5	1	\$25.77	\$150.71	\$45,937	2.3	9.7	5.4	9.3
2021	2,699	-2	4.5	1.5	1	\$26.54	\$155.59	\$46,842	2.5	9.8	5.4	9.4
2022	2,670	2	4.4	1.5	1	\$27.36	\$160.51	\$47,633	2.6	9.8	5.1	9.3
2023	2,645	7	4.2	1.5	1	\$28.17	\$165.57	\$48,392	2.5	9.8	4.5	9.3
2024	2,619	6	4.1	1.5	1	\$29.00	\$171.10	\$49,293	2.5	9.8	3.8	9.3
2025	2,590	5	4.0	1.5	1	\$29.84	\$176.65	\$50,202	2.5	9.8	3.2	9.3
2026	2,562	5	3.9	1.5	1	\$30.69	\$182.17	\$51,073	2.5	9.8	2.8	9.3
2027	2,534	6	3.9	1.5	1	\$31.56	\$187.84	\$51,958	2.5	9.8	2.4	9.3
2028	2,505	6	3.8	1.5	1	\$32.44	\$193.68	\$52,871	2.5	9.8	2.2	9.3
2029	2,476	7	3.8	1.5	1	\$33.33	\$199.65	\$53,799	2.5	9.8	2.4	9.3
2030	2,447	7	3.7	1.5	1	\$34.25	\$205.72	\$54,738	2.5	9.8	2.8	9.3
2031	2,422	12	3.7	1.5	1	\$35.19	\$211.96	\$55,581	2.5	9.8	3.7	9.3
2032	2,399	13	3.6	1.5	1	\$36.16	\$218.38	\$56,413	2.5	9.8	4.8	9.3
2033	2,378	14	3.6	1.5	1	\$37.16	\$225.20	\$57,283	2.5	9.8	6.1	9.3
2034	2,357	15	3.5	1.5	1	\$38.17	\$232.40	\$58,173	2.5	9.8	7.6	9.3
2035	2,335	12	3.5	1.5	1	\$39.21	\$239.79	\$59,123	2.5	9.8	8.4	9.3
2036	2,308	7	3.4	1.5	1	\$40.26	\$247.15	\$60,156	2.5	9.8	9.2	9.3
2037	2,281	7	3.4	1.5	1	\$41.33	\$254.56	\$61,172	2.5	9.8	10.0	9.2
2038	2,256	10	3.4	1.5	1	\$42.44	\$262.26	\$62,181	2.5	9.8	10.9	9.2
2039	2,232	11	3.4	1.5	1	\$43.57	\$270.28	\$63,207	2.5	9.8	11.7	9.2
2040	2,205	9	3.3	1.5	1	\$44.73	\$278.47	\$64,302	2.5	9.8	13.0	9.2

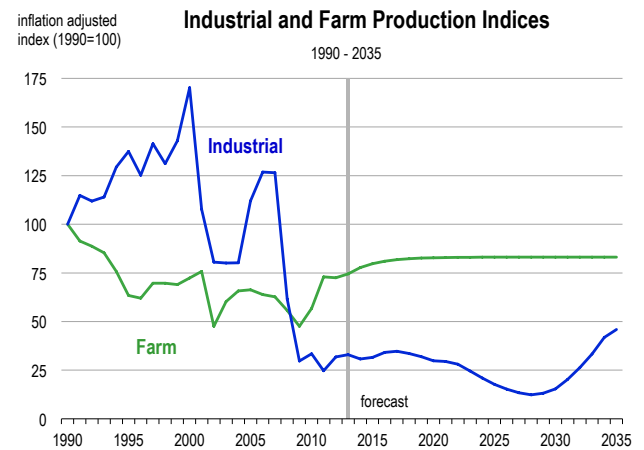
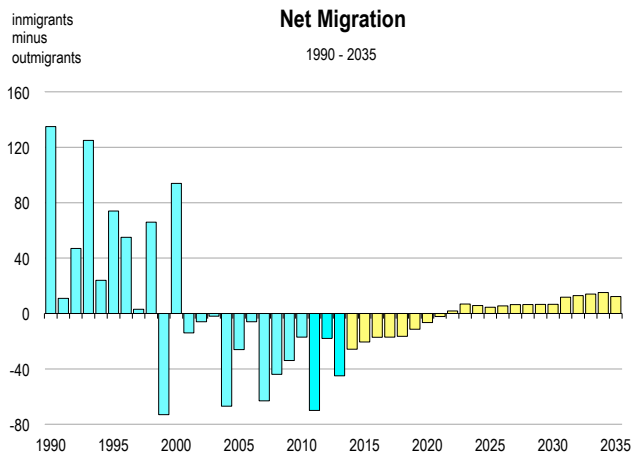
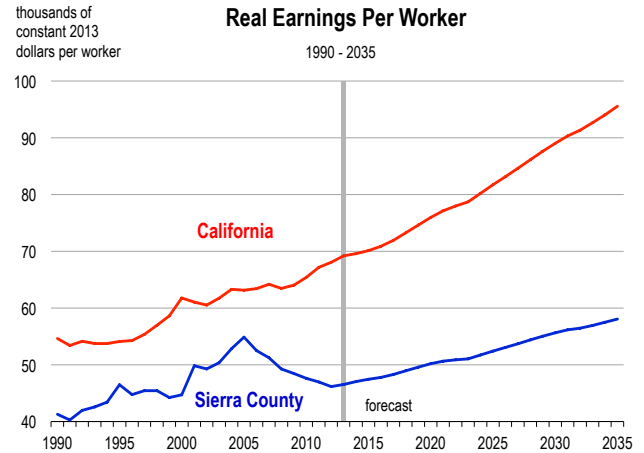
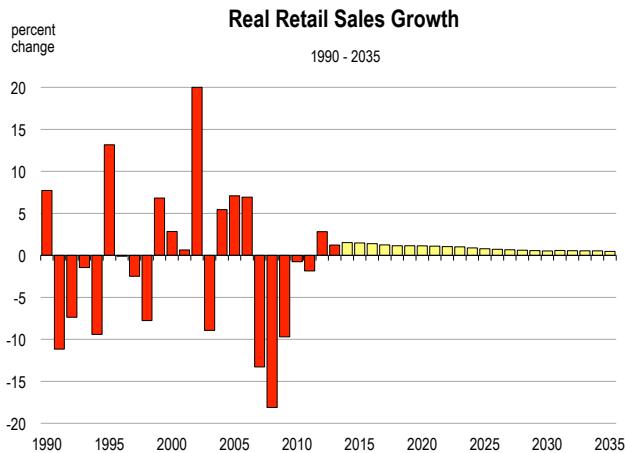


Sierra County Employment Forecast

2006-2013 History, 2014-2040 Forecast

	Total Wage & Salary	Farm	Goods Producing	Services	Government
	-----employment (thousands of jobs)-----				
2006	0.780	0.013	0.127	0.214	0.426
2007	0.794	0.023	0.122	0.203	0.447
2008	0.748	0.022	0.052	0.238	0.436
2009	0.718	0.021	0.026	0.233	0.438
2010	0.730	0.018	0.032	0.235	0.445
2011	0.728	0.014	0.024	0.306	0.383
2012	0.639	0.013	0.029	0.237	0.361
2013	0.625	0.018	0.029	0.233	0.345
2014	0.619	0.018	0.026	0.232	0.343
2015	0.617	0.018	0.026	0.232	0.342
2016	0.619	0.018	0.027	0.232	0.342
2017	0.619	0.018	0.027	0.231	0.343
2018	0.615	0.018	0.025	0.230	0.342
2019	0.613	0.018	0.024	0.228	0.344
2020	0.609	0.018	0.021	0.227	0.344
2021	0.607	0.018	0.020	0.225	0.344
2022	0.604	0.018	0.019	0.224	0.343
2023	0.599	0.018	0.016	0.223	0.343
2024	0.595	0.018	0.013	0.221	0.343
2025	0.591	0.018	0.011	0.220	0.342
2026	0.587	0.018	0.009	0.219	0.341
2027	0.583	0.018	0.008	0.217	0.341
2028	0.580	0.018	0.007	0.216	0.340
2029	0.578	0.018	0.007	0.214	0.339
2030	0.576	0.018	0.008	0.213	0.338
2031	0.577	0.018	0.010	0.212	0.337
2032	0.578	0.018	0.013	0.211	0.336
2033	0.579	0.018	0.016	0.210	0.335
2034	0.580	0.018	0.019	0.210	0.334
2035	0.580	0.018	0.020	0.209	0.333
2036	0.579	0.018	0.021	0.208	0.332
2037	0.578	0.018	0.022	0.207	0.331
2038	0.577	0.018	0.024	0.206	0.330
2039	0.576	0.018	0.025	0.205	0.329
2040	0.575	0.018	0.026	0.204	0.328





County Economic and Demographic Indicators

Projected Economic Growth (2014-2019)

Expected retail sales growth:	6.6%
Expected job growth:	-1.0%
Fastest growing jobs sector:	Public Sector
Expected personal income growth:	3.4%

Expected population growth:	-7.7%
Net migration to account for:	N/A
Expected growth in number of vehicles:	-11.4%

Demographics (2014)

Unemployment rate (April 2014):	11.7%
County rank in California (58 counties):	46th
Percent of population working age (16-64):	63.3%

Population with B.A. degree or higher:	18.4%
Median home selling price (2013):	\$140,000
Median household income:	\$49,676

Quality of Life

Violent crime rate (2012):	546 per 100,000 persons
County rank* in California (58 counties):	44th
Average commute time to work (2014):	33.1 minutes

High school drop out rate (2012):	0.0%
Households at/below poverty line (2014):	11.8%

* The county ranked 1st corresponds to the lowest rate in California